

**MINUTES OF REGULAR MEETING  
ILLINOIS GAMING BOARD  
June 19, 2001  
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

The Illinois Gaming Board ("Board") held its Regular Meeting on June 19, 2001, in the Auditorium on the 5th floor of the State of Illinois Building, Chicago, Illinois, pursuant to the Illinois Open Meetings Act, 5 ILCS 120/1 et seq.

The following Board Members were present: Chairman Gregory C. Jones and Members Sterling M. Ryder, Ira Rogal, and Stuart P. Levine. Member Staci Yandle was not present for the June 19<sup>th</sup> Regular Meeting.

Also in attendance were: Administrator Sergio E. Acosta, Deputy Administrators Allan S. McDonald, Thomas Swoik, James W. Wagner, and Deputy Chief Legal Counsel Jeannette P. Tamayo, as well as other members of the staff.

Chairman Jones convened the June 19, 2001 Regular Meeting at 9:38 A.M. in the 3<sup>rd</sup> floor Board Conference Room. Member Ryder moved **that the Board retire to Closed Session pursuant to Section 2(c), paragraphs (1), (11), (14), and (21) of the Open Meetings Act, and Section 6(d) of the Riverboat Gambling Act to discuss the following subject matters:**

- 1. Pending litigation and matters involving probable litigation;**
- 2. Investigations concerning applicants and licensees;**
- 3. Personnel matters; and**
- 4. Closed session minutes.**

Member Rogal seconded the motion. The Board adopted the motion by unanimous consent, and retired to closed session.

The Board convened its Open Session at 1:20 P.M.

### Approval of Minutes

Member Ryder moved that **the Board approve the following closed session minutes of the Illinois Gaming Board:**

- **Closed Session Minutes:**
  - **Special Meeting of May 29, 2001**
  - **Regular Meeting of May 30, 2001**

Member Levine seconded the motion. The Board approved the motion unanimously by voice vote.

Member Ryder moved that **the Board approve the following open session minutes of the Illinois Gaming Board:**

- **Open Session Minutes:**
  - **Special Meeting of May 29, 2001**
  - **Regular Meeting of May 30, 2001**

Member Levine seconded the motion. The Board approved the motion unanimously by voice vote.

### Owner Licensee Items

CASINO QUEEN – INITIAL CONSIDERATION FOR LICENSE RENWAL - Craig Travers, General Manager, was present on behalf of Casino Queen to request initial consideration for license renewal. Mr. Travers expressed his gratitude to the Board for holding its Regular meeting at Casino Queen in April. Mr. Travers provided the Board with binders that contained detailed information on Casino Queen's commitments to economic development, tourism for the state of Illinois, employment and affirmative action, state and local tax contributions, policy compliance, and charitable donations. Mr. Travers stated that Casino Queen actively pursues a goal of 100% compliance with the Illinois Gaming Board's Act, Rules, and the approved System of Internal Control. Mr. Travers stated that in Casino Queen's efforts to prevent underage gambling, in cooperation with the City of East St. Louis, a city ordinance was passed in March of 1999, which provided a means for Casino Queen to arrest any underage patron who attempts to enter the casino. Mr. Travers stated that a new company policy was adopted in which all patrons who appear to be 30 years of age or younger are required to produce an acceptable means of identification prior to entering the riverboat casino and at any time when asked while in the casino. Mr. Travers stated that Casino Queen and its charitable foundation, the Casino Queen Community Development Foundation, have contributed over \$5million dollars to charitable organizations and functions during the period of 1993 through the year 2000. Mr. Travers stated that the Casino Queen

Community Development Foundation have contributed over \$1.2million dollars to charitable organizations during the period of licensure between 1999 and 2000.

#### CASINO QUEEN – REQUEST FOR APPROVAL OF LEASE FINANCING

AGREEMENT - Craig Travers was present on behalf of Casino Queen to request approval of a lease financing agreement.

Chairman Jones stated that the Board and staff have received preliminary information and would have questions at the time of final consideration during next month's meeting.

CASINO ROCK ISLAND – RECONFIGURATION – Donna More, Attorney, and Ron Wicks, President, were present on behalf of Casino Rock Island to request initial consideration to expand the number of electronic gaming devices on the casino. Mr. Wicks stated that Casino Rock Island is requesting an addition of approximately 125 slot machines. Mr. Wicks stated that 40 machines would be removed off of the existing casino and relocated to the new expansion, which would make the main deck more spacious. Mr. Wicks provided the Board with packets that included pictures and floor plans of the expansion, and also gave a brief presentation to show the Board where the expansion would occur on the facility. Mr. Wicks stated that Casino Rock Island expects that the project would take about 90 days after the Board's approval, and have an initial estimate of about \$2million dollars as far as investment is concerned.

Administrator Acosta clarified that the expansion would only take place on the Ockerson barge. Mr. Wicks stated that no other barges would be involved.

Member Rogal asked if the construction cost had increased. Mr. Wicks stated that it has increased and is now approximately \$2million total with the slot machines.

Member Rogal noted that the economic projection that was provided in the packet did not include a figure for increased taxes. Mr. Wicks stated that he would provide the Board with that information.

Member Ryder asked if Casino Rock Island still has plans to relocate. Mr. Wicks stated that that Casino Rock Island still plans to relocate, and that the expansion is just a transition to help maintain Casino Rock Island's market share.

Chairman Jones clarified that 40 slot machines would be transferred from the existing casino and 125 new machines would be added totaling 165 slot machines in the new area. Chairman Jones asked if approval from the Coast Guard is required for the structural changes. Mr. Wicks stated that the changes would fall under the jurisdiction of the state and local Fire Marshall and the local building codes.

HARRAH'S CASINO, JOLIET, JOHN Q. HAMMONS – PROPOSED INCREASE OF EXISTING CREDIT FACILITY – Suzanne Saxman, representing First Midwest Bank was present to request the Board's final approval of an increase in the credit facility to Mr.

Hammons from \$7million dollars to approximately \$16million dollars, for financing Harrah's expansion project.

Member Rogal asked Administrator Acosta if staff have received any information on the expansion. Administrator Acosta stated that staff has received information on the expansion project, and that last year the Board approved the project. Administrator Acosta stated that Harrah's would be at next month's meeting to provide the Board with an update on the expansion project.

Based on a review of the staff's investigation and recommendation, Member Rogal moved that **the Board approve John Q. Hammon's request to increase his existing credit facility from First Midwest Bank to approximately \$16.5 million and delegate to the Administrator under Board Rule 3000.230(d)(2) final approval of the transaction upon execution of the appropriate documents.** Member Levine seconded the motion. The Board approved the motion unanimously by voice vote.

PAR-A-DICE/BOYD GAMING CORPORATION – PROPOSED INCREASE OF EXISTING CREDIT FACILITY- Donna More, Attorney, and Ellis Landau, CFO of Boyd Gaming Corporation were present on behalf of Par-A-Dice/Boyd Gaming Corporation to request final approval for an increase in Boyd's line of credit. Ms. More stated that the Delta Downs transaction did close and Boyd drew down on its existing line of credit and is before the Board now seeking an increase in their line of credit to have for future purposes.

Based on a review of the staff's investigation and recommendation, Member Levine moved that **the Board initially approve Boyd Gaming Corporation's request to pledge the assets of the Par-A-Dice Gaming Corporation as security for a \$125 million increase to its credit facility with the Canadian Imperial Bank of Commerce and delegate to the Administrator under Board Rule 3000.230(d)(2) final approval of the transaction upon execution of the appropriate documents.** Member Rogal seconded the motion. The Board approved the motion unanimously by voice vote.

#### Suppliers Licensees Items

UNIVERSAL DISTRIBUTING OF NEVADA, INC. – LICENSE RENEWAL & REQUEST TO WITHDRAW – Donna More, and Jeffery Gilbert, Director of Universal Distributing of Nevada, Inc. were present to request permission to withdraw the application for license renewal.

Based on the staff's investigation and recommendation, Member Ryder moved that **the Board grant the request of Universal Distributing of Nevada, Inc. to withdraw its application for the renewal of its Supplier's license on condition that Universal Distributing of Nevada, Inc. timely, fully and accurately disclose all information requested by the Board as to the tax matter involving Aruze Corporation, which is currently pending before the Tokyo Regional Tax Bureau, should Universal Distributing of Nevada, Inc. ever seek to apply for a license under the Illinois Riverboat Gambling Act or any successor Act.** Member Rogal seconded the motion. The Board approved the motion unanimously by voice vote.

A.C. COIN & SLOT SERVICE COMPANY, INC. – INITIAL LICENSING – John Janicik, Attorney, was present on behalf of A.C. Coin & Slot Service Company, Inc. to request approval for initial licensure.

Based on a review of the staff's investigation and recommendation, Member Rogal moved that **the Board approve the application of A.C. Coin & Slot Service Company, Inc. for a Supplier's license for a period of one year expiring June 2002.**

Based on the staff's investigation and recommendation, Member Rogal further moved that **the Board certify and approve the following position and person as Key Persons of the licensee:**

- 1. President**
- 2. Maxie Seelig**

Member Ryder seconded the motion. The Board approved the motion unanimously by voice vote.

#### Occupational Licensees

Based on the staff's investigation and recommendation, Member Levine moved that **the Board approve 83 applications for an Occupational License Level 2, and 237 applications for an Occupational License Level 3.** Member Rogal seconded the motion. The Board approved the motion unanimously by voice vote.

#### Administrative Hearings/ALJ Reports

Member Ryder moved that **the Board deny the request for hearing submitted by Leslie K. Arnold for failure to provide a *prima facie* basis for her hearing request.** Member Levine seconded the motion. The Board approved the motion unanimously by voice vote.

At 1:55 P.M. Member Levine moved that **Pursuant to Section 2 (c), paragraph (11), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat Gambling Act, the Board retire to Closed Session to discuss the following subject matters:**

- 1. Pending litigation and matters involving probable litigation;**
- 2. Investigations concerning applicants and licensees.**

Member Rogal seconded the motion. The Board approved the motion unanimously by voice vote.

The Board adjourned at 4:11 P.M.

Respectfully submitted,

Monica Thomas  
Secretary to the Board